

Message Text

LIMITED OFFICIAL USE

PAGE 01 GENEVA 01320 01 OF 02 261537 Z

50

ACTION EB-11

INFO OCT-01 OIC-04 ADP-00 AF-10 ARA-11 EA-11 EUR-25 NEA-10

RSC-01 AGR-20 CEA-02 CIAE-00 COME-00 DODE-00 FRB-02

H-02 INR-09 INT-08 L-03 LAB-06 NSAE-00 NSC-10 PA-03

AID-20 CIEP-02 SS-14 STR-08 TAR-02 TRSE-00 USIA-12

PRS-01 SAL-01 OMB-01 IO-12 RSR-01 /223 W

----- 022023

R 261531 Z MAR 73

FM USMISSION GENEVA

TO SECSTATE WASHDC 8444

INFO AMEMBASSY BERN

AMEMBASSY BONN

AMEMBASSY BRASILIA

AMEMBASSY CANBERRA

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY HELSINKI

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY NEW DELHI

AMEMBASSY OSLO

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY STOCKHOLM

AMEMBASSY TOKYO

AMEMBASSY WARSAW

USMISSION EC BRUSSELS

USMISSION OECD PARIS

LIMITED OFFICIAL USE SECTION 1 OF 2 GENEVA 1320

PASS STR AND COMMERCE

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 01320 01 OF 02 261537 Z

E. O. 11652: N/A

TAGS: ETRD, GATT

SUBJECT: GATT STANDARDS CODE, MARCH 15-22

REF: TSC 73-19

BEGIN SUMMARY: GATT CTIP WORKING GROUP (WG) CONSIDERATION DRAFT STANDARDS CODE (INT (73) 3) MADE PROGRESS DURING FIRST DAYS OF MEETING BUT BOGGED DOWN OVER REMAINING ISSUES. INFORMAL CONSULTATIONS HELPED RESOLVE ISSUE OF PREPARATION, ADOPTION, AND USE OF MANDATORY STANDARDS BY CENTRAL GOVERNMENT BODIES AND SEVERAL OTHER ISSUES OF LESSER IMPORTANCE. FUNDAMENTAL DIFFERENCES PREVENTED PROGRESS ON QUALITY ASSURANCE SYSTEMS, HOWEVER, AND WG UNABLE DRAFT CLEAR STATEMENT OF DIFFERENCES WITHIN REMAINING TIMEFRAME, NECESSITATING ADDITIONAL MEETING TENTATIVELY SCHEDULED JUNE 4-8. END SUMMARY.

1. WG MADE CONSIDERABLE PROGRESS IN RESOLVING SOME MAJOR DIFFERENCE IN CODE. US AND EC DOMINATED DISCUSSIONS THROUGHOUT WITH CANADA, JAPAN, BRAZIL, AND AUSTRALIA CONTRIBUTING. FINLAND, SWEDEN, NORWAY AND SWITZERLAND ALSO INTERVENED. EC REP (SCHLOESSER) WAS SOLE SPEAKER FOR ENLARGED COMMUNITY WITH FORMERLY VERY ACTIVE UK REP (ROGERS) SILENT.

2. EC' S INTERVENTIONS INDICATED MEMBER STATES HAD SERIOUSLY CONSIDERED TEXT OF CODE. USDEL TOLD THAT, PARTLY BECAUSE OF RECENT US REPRESENTATIONS, EC HAD HELD SEVERAL COORDINATING SESSIONS. UNLIKE PAST WG MEETINGS, EC HAD POSITION ON MANY ISSUES, BUT SCHLOESSER STILL LACKED BARGAINING FLEXIBILITY ON MAJOR PROBLEMS. ALTHOUGH EC COOPERATED IN WG EFFORT CONCLUDE WORK ON CODE, IT APPEARED THEY ONLY PREPARED RESOLVE KEY ISSUES IN CONTEXT MULTILATERAL TRADE NEGOTIATIONS (MTN).

3. EC REP READ PREPARED STATEMENT (INT (73) 24) INDICATING BELIEF THAT CODE LACKED BALANCE BECAUSE OF INEQUALITY BETWEEN COUNTRIES WITH A FEDERAL STRUCTURE AND THOSE WITH A UNITARY STRUCTURE. STATEMENT ALSO REPEATED EC POSITION THAT IT NOT WITHIN PROVINCE OF WG TO DETERMINE PRECISE CHARACTER OF CODE OBLIGATIONS. QUESTION OF WHETHER CODE SHOULD BE CONTRACTUAL, VOLUNTARY, OR SET OF PRINCIPLES SHOULD BE DECIDED LATER AT DIFFERENT LEVEL. NEVERTHELESS, EC INDICATED THEY PREPARED MAKE POSITIVE CONTRIBUTION TO COMPLETION OF DRAFT CODE AT THIS MEETINGS.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GENEVA 01320 01 OF 02 261537 Z

4. US REP (KELLY) WELCOMED POSITIVE EC STATEMENT BUT SAID THAT ASSESSMENTS OF BALANCE CANNOT BE MADE UNTIL TEXT OF CODE IS COMPLETED. IN THIS CONNECTION HE CALLED ATTENTION TO RESOLUTION PASSED BY PACIFIC AREA STANDARDS CONGRESS STRONGLY URGING GATT TO COMPLETE ITS WORK SO THAT PROPOSED CODE CAN BE REFERRED TO GOVERNMENTS FOR CONSIDERATION AS SOON AS POSSIBLE. WHILE MAKING NO JUDGMENT ON QUESTION OF BALANCE, US REP INDICATED THAT EARLY IMPLEMENTATION OF CODE COULD HAVE FAVORABLE EFFECT ON FORTHCOMING MTN.

LIMITED OFFICIAL USE

ADP000

LIMITED OFFICIAL USE

PAGE 01 GENEVA 01320 02 OF 02 261552 Z

50

ACTION EB-11

INFO OCT-01 ADP-00 OIC-04 IO-12 AF-10 ARA-11 EA-11 EUR-25

NEA-10 RSC-01 AGR-20 CEA-02 CIAE-00 COME-00 DODE-00

FRB-02 H-02 INR-09 INT-08 L-03 LAB-06 NSAE-00 NSC-10

PA-03 AID-20 CIEP-02 SS-14 STR-08 TAR-02 TRSE-00

USIA-12 PRS-01 SAL-01 OMB-01 RSR-01 /223 W

----- 022133

R 261531 Z MAR 73

FM USMISSION GENEVA

TO SECSTATE WASHDC 8445

INFO AMEMBASSY BERN

AMEMBASSY BONN

AMEMBASSY BRASILIA

AMEMBASSY CANBERRA

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY HELSINKI

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY NEW DELHI

AMEMBASSY OSLO

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY STOCKHOLM
AMEMBASSY TOKYO
AMEMBASSY WARSAW
USMISSION EC BRUSSELS
USMISSION OECD PARIS

LIMITED OFFICIAL USE SECTION 2 OF 2 GENEVA 1320

5. TWO- DAY INFORMAL CONSULTATIONS OF KEY DELS (US, EC, CANADA, JAPAN, SWEDEN) INSTRUMENTAL IN RESOLVING LONG- STANDING DISAGREE- LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 01320 02 OF 02 261552 Z

MENT ON CODE PROVISIONS RE PREPARATION, ADOPTION AND USE OF STANDARDS. OTHER ISSUES OF LESSER IMPORTANCE ALSO RESOLVED AND DIFFERING VIEWS ON QUALITY ASSURANCE SYSTEMS CLARIFIED.

6. WG ENDORSED THESE SOLUTIONS, WHICH ACCORD WITH US POSITION, BUT MEETING THEN FOUNDERED ON PROVISIONS RELATING TO QUALITY ASSURANCE SYSTEMS. US, SUPPORTED BY CANADA, JAPAN, AND OTHERS, MAINTAINED POSITION OF WANTING NATIONAL TREATMENT FOR CODE ADHERENTS WITH RESPECT TO NATIONAL, REGIONAL, AND INTERNATIONAL QUALITY ASSURANCE SYSTEMS. EC WANTED POSSIBILITY FOR DELAY IN TIMING AND GENERAL EXCEPTION FROM OPENING SYSTEMS TO PARTICIPATION BY ALL ADHERENTS. WHEN IT BECAME CLEAR THAT NO SATISFACTORY COMPROMISES POSSIBLE, THERE WAS INSUFFICIENT TIME TO CLEARLY DEFINE DIVERGENT VIEWS FOR REPORT TO CTIP SO WG ENDORSED US REQUEST FOR ADDITIONAL MEETING DESPITE EC RELUCTANCE. US OFFERED TO PREPARE CLEAR ALTERNATIVE TEXT FOR ADVANCE DISTRIBUTION.

7. WG ALSO MADE NO FURTHER PROGRESS IN RESOLVING ISSUES ON ENFORCEMENT. CANADIAN REP (DOUGLAS) PROPOSED THAT DISPUTES BE REFERRED TO PANEL CREATED BY COMMITTEE OF ADHERENTS FOR FACT- FINDING AND RECOMMENDATIONS, BUT CONTINUED FAVOR PERMITTING CODE OBLIGATIONS OF ADHERENTS TO BE CONSIDERED UNDER GATT ARTICLE XXIII. US REP SUPPORTED PANEL PROCEDURE, BUT CONTINUED TO OPPOSE PRESENT LANGUAGE RELATING ARTICLE XXIII. IN LINE WITH OVERALL EC VIEW THAT IT PREMATURE TO DISCUSS PRECISE CHARACTER OF OBLIGATIONS UNDER CODE, EC ARGUED THAT WG NOT COMPETENT TO RESOLVE ISSUE OF SANCTIONS. IN VIEW EC POSITION, US DID NOT WITHDRAW PROPOSAL FOR ARBITRATION BODY TO DECIDE ON SANCTIONS BUT DID NOT ACTIVELY PRESS IT.

8. CANADIAN PROPOSALS ON ENFORCEMENT AND OTHER ISSUES REFLECT DESIRE, NOT SHARED BY US, TO TIE CODE DIRECTLY TO GATT, SIMILAR TO ANTI- DUMPING CODE. CANADA ALSO APPEARS SHARE EC VIEW THAT KEY ISSUES IN CODE SHOULD BE RESOLVED IN MTN. CANADA BELIEVES THAT COMPROMISES ON ISSUES NOW WOULD RESULT IN WEAKER CODE.

9. NEXT MEETING TENTATIVELY SCHEDULED JUNE 4-8. QUALITY ASSURANCE

SYSTEMS WILL BE PRINCIPAL ISSUE ALTHOUGH EC INSISTED, AND WG
AGREED, THAT WHOLE TEXT BE RECONSIDERED.

10. COMMENT: BASIC PHILOSOPHICAL DIFFERENCE UNDERLIES US/ EC DIF-
FERENCES ON TEXT. AS SCHLOESSER SAID LATE IN MEETING, EC VIEWS
CODE AS MEANS OF CONTROLLING NATIONAL STANDARDS ACTIVITIES AFFECT-
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GENEVA 01320 02 OF 02 261552 Z

ING TRADE AND ENCOURAGING INTERNATIONAL STANDARDS SYSTEMS, WHICH
THEY BELIEVE ARE INHERENTLY SUPERIOR. US, ON OTHER HAND, VIEWS
CODE PRIMARILY AS MEANS OF CONTROLLING POTENTIALLY DISCRIMINATORY
INTERNATIONAL OR REGIONAL SYSTEMS. UNLESS THIS GULF IS BRIDGED,
WE ARE UNLIKELY TO ACHIEVE AGREEMENT. RIMESTAD

LIMITED OFFICIAL USE

*** Current Handling Restrictions *** n/a

*** Current Classification *** LIMITED OFFICIAL USE

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 26 MAR 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: garlanwa
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973GENEVA01320
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Film Number: n/a
From: GENEVA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730337/aaaaihgz.tel
Line Count: 245
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: garlanwa
Review Comment: n/a
Review Content Flags:
Review Date: 30 JUL 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <30-Jul-2001 by willialc>; APPROVED <07-Sep-2001 by garlanwa>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> jms 971229
Subject: GATT STANDARDS CODE, MARCH 15-22
TAGS: ETRD, GATT
To: BERN
BONN
BRASILIA
CANBERRA
COPENHAGEN
DUBLIN
EB

SECSTATE WASHDC
THE HAGUE

Type: TE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005